

**AMENDMENT NO. ONE
TO
INTERAGENCY AGREEMENT**

BETWEEN
THE DEPARTMENT OF TRANSPORTATION
AND
THE ARIZONA STATE UNIVERSITY

THIS AGREEMENT is entered into this date April 18th, 2006, Amendment No. ONE to JPA No. JPA 00-170, A.G. Contract No.: KR00-1998TRN, as amended, between agencies of the STATE OF ARIZONA, to wit; the DEPARTMENT OF TRANSPORTATION (the "DOT") and the ARIZONA BOARD OF REGENTS, acting for and on behalf of ARIZONA STATE UNIVERSITY (the "University").

I. RECITALS

1. The State is empowered by Arizona Revised Statutes § 28-401 to enter into this Agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.

2. The University is empowered by Arizona Revised Statutes § 15-1626 to enter into this Agreement and has resolved to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the University.

3. Arizona House Bill No. 2340, a copy (in applicable part) of which is attached hereto as Exhibit A and made a part hereof, requires reports to the Arizona legislature relating to the DOT's design/build process. The DOT and the University desire to cooperate in obtaining information required (see Exhibit B) to formulate the reports, at an estimated cost of \$200,000.00, all at DOT expense, hereinafter referred to as the Project.

Both parties agree to amend Interagency Agreement JPA No. 00-170 between Arizona Department of Transportation and Arizona State University:

THIS AGREEMENT IS AMENDED AS FOLLOWS:

Section I. RECITALS. It is agreed to amend Paragraph 1. to the existing language:

1. The State is empowered by Arizona Revised Statutes § 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.

NO. 28190
Filed with 4-18-06 of State
Dated 4-18-06
James L. Shuman
Secretary of State
AG

Section I. RECITALS. It is agreed to add Paragraph 4. to the existing language:

4. The DOT and the University desire to develop service procedures and a personnel-training manual for Job Order Contracting (JOC) and CM@Risk Process Development, as referenced in Job Order Contracting Oversight Management Scope of Services Project Approach and ADOT CM@Risk Process Development documents attached hereto. Both parties shall assist to accomplish processes and deliver a methodology that is effective and efficient for projects that have specific criteria using JOC and CM@Risk Services. The DOT shall be responsible for the costs currently estimated at \$305,000.00 required for the JOC and CM@Risk development methods.

Section III. MISCELLANEOUS PROVISIONS. It is agreed to amend Paragraph 2. and add Paragraph 9. to the existing language:


1. This Agreement shall become effective upon signature by the parties hereto, and shall remain in force and effect until on or about June 30, 2008 or upon completion of said work and final accounting. However, this Agreement may be cancelled prior to the disbursement of funds transferred under this Agreement with thirty (30) day written notice to the other party.

9. Non-Availability of Funds: Every payment obligation of the State under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which the funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments as a result of termination under this paragraph.

EXCEPT AS AMENDED herein, **ALL OTHER** terms and conditions of the original Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amended Agreement the day and year first above written.

THE ARIZONA BOARD OF REGENTS
acting for and on behalf of
ARIZONA STATE UNIVERSITY

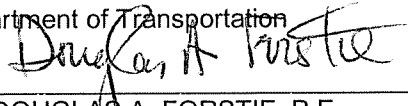
By 
CHERYL L. CONOVER
Director, Research Administration

3/31/06

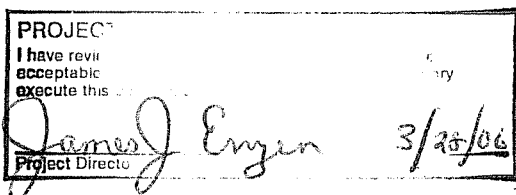
STATE OF ARIZONA

Department of Transportation

By


DOUGLAS A. FORSTIE, P.E.
Deputy State Engineer, Operations

G:00-170-Amended Agreement One
DOT & University Develop Service Procedures
March 22, 2006 - ly



JOB ORDER CONTRACTING OVERSIGHT AND MANAGEMENT SCOPE OF SERVICES AND PROJECT APPROACH

Project Responsibility

Provide oversight and mentoring of Arizona Department of Transportation's (ADOT) project management staff in the use of the Job Order Contracting (JOC) project delivery method being used for ADOT Projects as follows:

1. Soil Erosion Protection
2. Traffic Signals & Installations

The oversight and mentoring is to optimize the potential benefits obtained from the JOC process.

Project Team

The following entities are the primary project team members identified to date. Others may be added as the project proceeds.

- ADOT Project Managers
- ADOT Contract Staff
- ASU and their consultants

Services to be Provided

The following section provides a description of the scope of services proposed for this project:

- Oversight and mentoring of ADOT's use of the Job Order Contracting (JOC) project delivery method
- Assist ADOT in development/refinement of RFQ, ranking criteria, technical proposal and weighting and costing format
- Assist ADOT as required to develop budget and schedule of work for each of four anticipated JOC contracts
- Assist ADOT as required to develop price books for each anticipated JOC contract
- Assist ADOT in finalizing JOC contract documents
- Assist ADOT in developing JOC management documents, including work orders, tracking documents and review/close-out documents
- Assist in ADOT contractor ranking, selection and negotiation process

1.0 Project Approach

1.1 JOC Oversight and Mentoring

ASU and their consultants shall provide oversight and facilitate ADOT's use of the JOC delivery method for the above mentioned projects. The primary focus is to support the ADOT project management team by advising them of methodology to achieve the most value from this alternative project delivery method. The goal for this contract is to provide ADOT with an educational foundation for performing future JOC selections. ASU and their consultants, by applying the fundamental principles associated with the JOC process will assist in early identification of project issues and provide ADOT with the information necessary to make informed project decisions in a timely manner.

ASU and their consultants' mentoring shall include participation in selection process with ADOT and other team members to discuss selection criteria and resolve any outstanding issues. In addition to facilitating the normal project related meetings, ASU and their consultants shall meet privately with ADOT management and project management personnel to advise them of potential efficiencies to be gained in the JOC process.

ASU and their consultants shall work closely with the ADOT project manager(s) to ensure that the project goals are met in a timely manner. ASU and their consultants shall serve as a counselor and mentor between all project-related parties and may serve as liaison between agencies having jurisdiction. ASU and their consultants shall provide a documented project history that can be used for reference in future discussions as to decisions made, questions raised, and direction given.

ASU and their consultants shall provide frequent updates and keep ADOT project management personnel and all other parties "in the loop" regarding concerns, key dates and scheduled meetings with follow up minutes. Action items with dates for compliance will be identified.

1.2 Assist in Development of RFQ, Ranking Criteria and Technical RFP

ASU and their consultants shall attend all required meetings and assist the ADOT project manager(s) in developing and standardizing the JOC contractor selection process. ASU and their consultants shall assist ADOT in a critical review of the selection criteria provided by the JOC and provide the ADOT Contracts Manager with a listing of questions and concerns regarding the activities required to complete the selection process.

ASU's purpose for attending meetings is to become familiar with ADOT's goals and objectives and insure that the benefits of the JOC procurement process are implemented into ADOT project management process.

1.3 Develop Budget and Schedule of Anticipated JOC work

Asu and their consultants shall assist ADOT in a critical review of the work required under each anticipated JOC contract. ASU and their consultants will assist each ADOT project manager in producing a cost loaded schedule or other similar tool to graphically depict the estimated quantity and timing for all anticipated JOC work.

1.4 Develop Price Books

ASU and their consultants will assist the appropriate ADOT personnel as required to develop pricing books containing accurate pricing information for each of the anticipated JOC contracts. It is understood that most of this information currently exists and that ADOT will take the lead in collecting this information.

1.5 Develop Model JOC Contract

ASU and their consultants shall work with ADOT Contracts Manager(s) and Contracts Specialists to develop a final form of contract between the ADOT and the selected JOC contractor(s). This process may include modifying any existing contract envisioned for use by ADOT and suggesting language from previous JOC contracts.

1.6 Develop JOC Management Documents

ASU and their consultants will assist ADOT in developing typical JOC management documents including work orders, tracking documentation and review/close-out documents.

1.7 Assist in JOC Contractor Selection

ASU and their consultants will assist ADOT throughout the contractor selection process. This will include developing a contractor ranking system, selection of the highest ranking contractor(s), and supporting ADOT in negotiations with selected job order contractor(s). Contractor selection and negotiations will include attending meetings with ADOT and selected contractors to review individual unit pricing, mark-ups, etc. and comparing this pricing information with the pricing contained in the established pricing books.

2.0 Progress Payments

ASU will submit progress payment requests using the ADOT payment request form for lump sum contracts.

Progress payments shall be made on an approved earned value basis. The earned value of each task shall be determined by multiplying the percent of completion times the total task value. The status (percent complete) of each task shall be subject to review and approval by the ADOT Contracts Manager. Project payments shall not exceed the cumulated earned value of all project tasks.

ADOT CM@Risk Process Development Draft Scope of Work

Project Understanding:


The Arizona Department of Transportation (ADOT) was authorized by the Arizona Legislature and Governor under legislative update HB#2579 signed April 20, 2005 to use the alternative delivery method of Construction Manager at Risk for a limited number of ADOT projects. ADOT was legislatively limited to the traditional construction delivery of Design-Bid-Build and limited use of the alternative Design-Build.

ADOT desires to use CM@Risk as an alternative tool for project delivery however does not currently have the foundation or processes in place to effectively use this methodology. Additionally, the culture among staff and ADOT specifications/standards and procedures are not completely compatible with this delivery method which requires the development of foundation documents and processes within ADOT.

Scope of Work:

1. ASU and their consultants will work with the ADOT representative to assist in the creation of an internal ADOT CM@Risk Task Force which will meet two (2) times each month during the duration of this project.
 - ASU and their consultants will facilitate these meetings and prepare and distribute meeting minutes and will be responsible to follow up on action items;
 - ASU and their consultants will make recommendations for specification/standards and procedural changes based on review of current specifications/standards and procedures to the Task Force for approval and/or feedback;
 - ASU and their consultants will work with the Task Force to create an industry/public reporting process on the use of CM@Risk which can include: public meetings, newsletters, Board and Council presentations
 - ASU and their consultants will work with the Task Force to identify key staff within ADOT for CM@Risk training
2. ASU and their consultants will develop the master document necessary to utilize CM@Risk for ADOT projects
 - ASU and their consultants will develop the scope of work for Design Engineer work under CM@Risk, the scope of work for General Contractors and sub-contractors for CM@Risk including the pre-construction services scope of Work, the scope of work for Project Management/Construction Administration for CM@Risk;
 - ASU and their consultants will develop the Request for Qualifications documents for Design Engineers, General Contractors and Project Management/Construction Administration;

- ASU and their consultants will develop the complete companion contract documents for the Design Engineer, CM@Risk contractor and Project Manager/Construction Administrator for CM@Risk;
 - ASU and their consultants will develop a Matrix of Responsibilities for the various consultants and owners groups utilizing the CM@Risk delivery method;
 - ASU and their consultants will develop the scoring and selection criteria necessary to select consultants based on qualifications.
3. ASU and their consultants will review current ADOT specifications/standards and procedures for construction
- ASU and their consultants will make recommendations to the Task Force for modifications to the current specifications/standards and procedures for approval and/or feedback to effectively use CM@Risk for selected ADOT projects;
 - ASU and their consultants will develop and recommend for approval and/or feedback to the Task Force the criteria for cost/fee negotiations for the CM@Risk delivery method.
4. ASU and their consultants will develop various training modules for internal ADOT stakeholders
- ASU and their consultants will create and develop specific training modules on the effective use of CM@Risk for the key staff identified by the Task Force;
 - ASU and their consultants will work with the Task Force to ensure that the key staff have training completed before commencing with any CM@Risk project;
 - ASU and their consultants will conduct multi-level training to include stakeholders at the policy level, staff and public/industry stakeholders.
5. ASU and their consultants will assist the Task Force in the identification and criteria for a proto-type ADOT project for the utilization of CM@Risk
- ASU and their consultants will make recommendations for the best usage of CM@Risk to the Task Force for approval based on time, budget/funding, design concept reports, safety concerns, political concerns, etc.;
 - ASU and their consultants will develop a criteria matrix for proto-type projects based on the feedback from the Task Force.

<p>TERRY GODDARD Attorney General</p>	 <p>OFFICE OF THE ATTORNEY GENERAL STATE OF ARIZONA</p>	<p>CIVIL DIVISION TRANSPORTATION SECTION Writer's Direct Line: 602.542.8855 Facsimile: 602.542.3646 E-mail: Susan Davis@azag.gov</p>
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INTERAGENCY AGREEMENT
DETERMINATION

A.G. Contract No. KR00-1998TRN (**JPA 00-170, Amendment No. One**), an Agreement between public agencies, i.e., The Department of Transportation and The Arizona State University, has been reviewed pursuant to A.R.S. § 28-401 by the Undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona.

No opinion is expressed as to the authority of the remaining Parties, other than the State or its agencies, to enter into said Agreement.

DATED: April 11, 2006

TERRY GODDARD
Attorney General



SUSAN E. DAVIS
Assistant Attorney General
Transportation Section

SED:mjf:955727
Attachment